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from the canal by repeated reductions in rail rates, rate arrangements, and railroad control of terminal facilities."

The purpose in this acquisition of boat lines seems to be threefold: first, to eliminate the competition of water-carriers; second, to obtain an entrance into territory not open to the rail lines; and, third, to secure valuable feeders, mainly local lines. In some cases all of these purposes are apparent, while in others a single reason seems to have been the moving force.

Attention should be called to the fact that boat lines not controlled by railroads have followed the same laws of consolidation that have operated in railways and other industries generally. It is apparent, therefore, that the common belief that water transportation would *ipso facto* insure low freight rates is not well founded. The danger of monopoly rates on waterways is perhaps as great as in the case of railroads. Consequently if the Interstate Commerce Commission succeeds in preventing the railroads from destroying water competition by temporarily cutting freight rates and by refusing to prorate, there will still remain the task of regulating water rates *per se*.

Perhaps it is also necessary to remark that this conclusive evidence that the railways largely control the existing waterways is not proof that in the absence of such control waterways would be able to compete on even terms with the railroads. Certainly this evidence cannot be regarded as throwing any light whatever on the comparative cost of transportation by water and by rail. The economic feasibility of rehabilitating our waterways must be decided on quite other grounds.

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Company Fire Insurance in Russia, 1827-1910. By the Tariff Committee of Russian Insurance Companies. Translated from the Russian by G. DOBSON. St. Petersburg, 1912. 4to, p. 142.

The term Company Insurance in this report evidently refers to the business of stock companies, since the expression is continually contrasted with Mutual Fire Insurance. Owing to the greater amount of available data, as well as the greater amount of business done, the report deals mainly with the class of insurance indicated by the title; but the other form of insurance is given considerable attention.

There were at the time of the report 13 Russian companies in the field. The first of these was organized in 1827. Besides these 13 companies which are still doing business, 6 others have been organized, but have gone out of

existence after business experiences of from 3 to 29 years (pp. 2-3). Mutual fire insurance is of two kinds, namely, compulsory and voluntary. Compulsory state insurance, carried on by various provincial governments, apparently dates from 1794. (The report says 1894, but the dates of its extension, 1817 and 1844, indicate the misprint.) The compulsory insurance applies largely to peasant buildings. The provincial authorities in many cases also administer voluntary insurance funds. There are further in various places mutual insurance organizations carried on by the insured themselves. Eleven classes of these latter are enumerated (p. 4). The total amount of fire insurance of all kinds in force and of record in 1905 was 14,179,286,000 roubles. Of this amount 9,459,905,000 roubles or about two thirds of the total was carried by the companies (pp. 21 ff.). By 1910 the risks of the companies had increased to nearly 12,000,000,000 roubles. The premiums in this year amounted to 73,061,480 roubles. The premium rate during the entire experience of the companies has remained remarkably stable. Excepting the first half-dozen years, when it was lower, it has remained close to the average for the 83 years 1827 to 1910, namely, 65 kopeks per 100 roubles (p. 20). The kopek, like our cent, being the hundredth part of the monetary unit, this rate will of course be equivalent to 65 cents per \$100 per year. As with us, the rate on different classes of risks varies greatly. In general it may be said that the Russian premiums are high as compared with those of European countries, though lower than those in the United States, where the average premium for all classes of risks is above 80 cents per hundred dollars.

Company insurance in Russia has by no means proved a get-rich-quick opportunity to the stockholders. While the rates have been maintained and while there as elsewhere improvements have been made in construction of buildings as well as in fire-fighting appliances, the profits have not increased. In fact competition and the expansion of operations have led to the assumption more and more of the less desirable classes of risks which it seems at first were ignored. Also, the mutuals have in many lines crowded out the companies from the more desirable risks (p. 62). Farm risks are in general carried at a heavy loss to the companies (pp. 72-73). The moral hazard seems especially prominent. In general 465 fires out of 1,000 are of "unknown" origin. From 1905 to 1909 there were 799 cases of proved incendiarism and 9,562 cases in which incendiarism was suspected but not proved (p. 78).

The significance of European civilization and social conditions in connection with insurance premiums is strikingly illustrated by the fact that in Finland the various kinds of property can be insured at less than half the rates that have proved unprofitable for other parts of the empire (pp. 132-33).

The bulk of the report consists of elaborate statistical tables. Besides these and not included in the paging of the report there are 30 colored diagrams and cartograms exhibiting various aspects of the collected data.